

HOUSE BILL No. 1340

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-10-8-8.

Synopsis: Retired state employee health insurance. Requires the state to pay the employer's share of the health insurance premium for retired state employees who are not eligible for Medicare coverage and meet certain other requirements.

Effective: July 1, 1999.

Kromkowski

January 12, 1999, read first time and referred to Committee on Ways and Means.

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First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1998 General Assembly.

HOUSE BILL No. 1340

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 5-10-8-8 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 1999]: Sec. 8. (a) This section applies only to
3 the state and its employees who are not covered by a plan established
4 under section 6 of this chapter.
5 (b) After June 30, 1986, the state shall provide a group health
6 insurance plan to each retired employee:
7 (1) whose retirement date is:
8 (A) after June 29, 1986, for a retired employee who was a
9 member of the field examiners' retirement fund;
10 (B) after May 31, 1986, for a retired employee who was a
11 member of the Indiana state teachers' retirement fund; or
12 (C) after June 30, 1986, for a retired employee not covered by
13 clause (A) or (B);
14 (2) who will have reached fifty-five (55) years of age on or before
15 the employee's retirement date but who will not be eligible on that
16 date for Medicare coverage as prescribed by 42 U.S.C. 1395 et
17 seq.;



(3) who will have completed twenty (20) years of creditable employment with a public employer on or before the employee's retirement date, ten (10) years of which shall have been completed immediately preceding the retirement; and

(4) who will have completed at least fifteen (15) years of participation in the retirement plan of which the employee is a member on or before the employee's retirement date.

(c) The state shall provide a group health insurance program to each retired employee:

(1) who is a retired judge;

(2) whose retirement date is after June 30, 1990;

(3) who is at least sixty-two (62) years of age;

(4) who is not eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.; and

(5) who has at least eight (8) years of service credit as a participant in the Indiana judges' retirement fund, with at least eight (8) years of that service credit completed immediately preceding the judge's retirement.

(d) The state shall provide a group health insurance program to each retired employee:

(1) who is a retired participant under the prosecuting attorneys retirement fund;

(2) whose retirement date is after January 1, 1990;

(3) who is at least sixty-two (62) years of age;

(4) who is not eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.; and

(5) who has at least ten (10) years of service credit as a participant in the prosecuting attorneys retirement fund, with at least ten (10) years of that service credit completed immediately preceding the participant's retirement.

(e) The state shall make available a group health insurance program to each former member of the general assembly or surviving spouse of each former member, if the former member:

(1) is no longer a member of the general assembly;

(2) is not eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq. or, in the case of a surviving spouse, the surviving spouse is not eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.; and

(3) has at least ten (10) years of service credit as a member in the general assembly, with at least eight (8) years of that service credit completed immediately preceding the member's retirement or death.

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1 A former member or surviving spouse of a former member who obtains
 2 insurance under this section is responsible for paying both the
 3 employer and the employee share of the cost of the coverage.

4 **(f) This subsection applies to the group health insurance**
 5 **program required under subsection (b). The group health**
 6 **insurance must be equal to that offered to active employees. The**
 7 **retired employee may participate in the group health insurance**
 8 **program if the retired employee pays an amount equal to the**
 9 **premium for group health insurance paid by an active employee**
 10 **and if the retired employee files a written request for insurance**
 11 **coverage with the employer within ninety (90) days after the**
 12 **employee's retirement date. Upon receiving the request the**
 13 **employer:**

14 **(1) shall pay the employer's share of the retired employee's**
 15 **group health insurance premium; and**

16 **(2) may elect to pay any part of the retired employee's share**
 17 **of the premium.**

18 ~~(f)~~ **(g) This subsection applies to the group health insurance**
 19 **program required under subsections ~~(b)~~ (c) through (e). The group**
 20 **health insurance** must be equal to that offered active employees. The
 21 retired employee may participate in the group health insurance program
 22 if the retired employee pays an amount equal to the employer's and the
 23 employee's premium for the group health insurance for an active
 24 employee and if the retired employee within ninety (90) days after the
 25 employee's retirement date files a written request for insurance
 26 coverage with the employer. However, the employer may elect to pay
 27 any part of the retired employee's premium.

28 ~~(g)~~ **(h) A retired employee's eligibility to continue insurance under**
 29 **this section ends when the employee becomes eligible for Medicare**
 30 **coverage as prescribed by 42 U.S.C. 1395 et seq., or when the**
 31 **employer terminates the health insurance program. A retired employee**
 32 **who is eligible for insurance coverage under this section may elect to**
 33 **have the employee's spouse covered under the health insurance**
 34 **program at the time the employee retires. If a retired employee's spouse**
 35 **pays the amount the retired employee would have been required to pay**
 36 **for coverage selected by the spouse, the spouse's subsequent eligibility**
 37 **to continue insurance under this section is not affected by the death of**
 38 **the retired employee. The surviving spouse's eligibility ends on the**
 39 **earliest of the following:**

40 **(1) When the spouse becomes eligible for Medicare coverage as**
 41 **prescribed by 42 U.S.C. 1395 et seq.**

42 **(2) When the employer terminates the health insurance program.**



1 (3) Two (2) years after the date of the employee's death.

2 (4) The date of the spouse's remarriage.

3 ~~(h)~~ (i) This subsection does not apply to an employee who is entitled
4 to group insurance coverage under IC 20-6.1-6-1(c). An employee who
5 is on leave without pay is entitled to participate for ninety (90) days in
6 any health insurance program maintained by the employer for active
7 employees if the employee pays an amount equal to the total of the
8 employer's and the employee's premiums for the insurance.

9 ~~(i)~~ (j) An employer may provide group health insurance for retired
10 employees or their spouses not covered by this section and may provide
11 group health insurance that contains provisions more favorable to
12 retired employees and their spouses than required by this section. A
13 public employer may provide group health insurance to an employee
14 who is on leave without pay for a longer period than required by
15 subsection ~~(h)~~ (i).

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